

REPORT NO.

CD NO.

DATE DISTR. 30 June 1949

CONFIDENTIAL

SUBJECT Chinese Communist Policy in Regard
to Taking Over Kuomintang Property

NO. OF PAGES 2

PLACE
ACQUIRED

FOR CRITICAL SECURITY REASONS

NO. OF ENCLS.
(LISTED BELOW)

DATE OF I

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**SUPPLEMENT TO
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1. We must thoroughly understand the role of taking over.

Taking over is the beginning of control. It means enlarging the properties of bureaucratic capitalists and turning them into properties of the people. It is turning what was used for the benefit of feudalists, compradores and bureaucratic capitalists in the past, to the service of the people of today. This is entirely different from the procedure of the KMT after the Japanese surrender, when they, by their corrupt practices, stole the fruits of the people's victory and divided the properties taken over.

2. In carrying out the work of taking over, the following principle should be observed.

In taking over the investments of bureaucratic capitalists, we should preserve the original enterprising machineries in their entirety, with their original techniques and productive system. We should smash the political machineries, and reform the cultural machineries, of the K.P. (sic) taken over. Our policy in taking over should be:

"To maintain the original investment machineries, abolish the bureaucratic monopoly system, strengthen supervision, and safeguard production."

3. Preparation in thought.

We should understand that taking over is the beginning of government. It is political warfare, and a new and complex task. Therefore, on the one hand we should maintain an adequate war spirit and be alert in politics; on the other hand, we should have patience in inquiries and studies.

CLASSIFICATION ~~SECRET~~

STATE						X	Navy	X	NSRB		DIA
ARMY						X	AIR	X	FBI	<i>088</i>	

Document No.

Document No.

NO CHANGE in Class. ☐

☐ DECLASSIFIED

Class. CHANGED TO:

DDA Memo, 4 A

Auth: DDA REG 2741

Date: 25 MARCH 1964

CONFIDENTIAL

For Release 2003/12/10 : CIA-RDP82-00457R002900360012-2

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4. Policy.

- a. A policy of confiscating bureaucratic capital and protecting individual capital should be adopted.
- b. A correct attitude toward the old staff should be assumed. We should first utilize them in the handing over. Those who have merit will be rewarded, while corrupt officials will be punished. After the taking over, those who wish to quit will be accorded a farewell, while those who wish to remain will be welcome.
- c. A policy of propaganda education in combined politics and techniques, for the education of the old staff, should be adopted so as to promote and safeguard the work of the people.

5. Preparation for organization.

- a. Unity and concentration of leadership.
- b. Cadre should first conduct concentration, distribution and education.
- c. Preparation should be made for all sorts of cadres who are familiar with the work. They should be organized separately. We should have cadres to conduct the taking over and cadres to carry out routine work. Prior to and in the course of taking over, we should keep in touch with, write and absorb the old staff.

6. Preparation for work.

- a. Objectives of taking over should be fixed separately.
- b. Inquiry into conditions of studies.
- c. Different preparatory resolutions with regard to taking over should be drafted. This is to estimate the different states of affairs which might possibly occur after entering cities. They are to be used according to changes in the situation.
- d. The important point of taking over is staff; but the order of taking over is properties first, then documents, and lastly staff.
- e. Stages in the course of taking over.
 - 1st stage - Concentration of officials for taking over, making preparations for all work for taking over.
 - 2nd stage - To seal by sections, adjust and examine.
 - 3rd stage - To sum up.

7. Disciplinary education should be strengthened.

- a. Conception of service for the people should be strengthened.
- b. To seek for instruction beforehand and make report after the work is completed.
- c. To lead a decent life.

8. Special features of departmental work of taking over foreign trades.

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